## STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

APPLICATIONS OF KAISER-FRANCIS OIL COMPANY FOR COMPULSORY POOLING, EDDY COUNTY, NEW MEXICO.

Case Nos. 20294-20297

EXHIBIT

#### **AFFIDAVIT OF NOTICE**

COUNTY OF		
STATE OF N	) ss. IEW MEXICO )	
James	Bruce, being duly sworn upon his oath, dep	poses and states:
1.	I am over the age of 18, and have persona	l knowledge of the matters stated herein.
2.	I am an attorney for Kaiser-Francis Oil Co	ompany.
3. names and co filed herein.	Kaiser-Francis Oil Company has conductorrect addresses of the interest owners entire	ed a good faith, diligent effort to find the tled to receive notice of the applications
4. addresses, by hereto as Atta	Notice of the applications was provided to certified mail. Copies of the notice letter achment A.	o the interest owners, at their last known and certified return receipts are attached
5. 19.15.4.9 and	Applicant has complied with the notice 119.15.4.12.	provisions of Division Rules NMAC  Machiner Bruce  Tames Bruce
SUBS Bruce. My Commis	SCRIBED AND SWORN TO before me the OFFICIAL SEAL KERRIE C. ALLEN Notary Public State of New Mexico My Commission Expires	day of March, 2019 by James  Notary Public

JAMES BRUCE ATTORNEY AT LAW

POST OFFICE BOX 1056 SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213 SANTA FE, NEW MEXICO 87501

(505) 982-2043 (Phone) (505) 660-6612 (Cell) (505) 982-2151 (Fax) jamesbruc@aol.com

February 15, 2019

#### <u>CERTIFIED MAIL – RETURN RECEIPT REQUESTED</u>

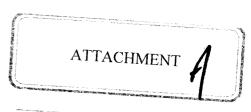
To: Persons on Exhibit A

Ladies and gentlemen:

Enclosed are copies of applications for compulsory pooling, filed with the New Mexico Oil Conservation Division by Kaiser-Francis Oil Company, regarding:

- 1. Two Bone Spring wells in the W/2SW/4 of Section 31, Township 25 South, Range 33 East, NMPM, and the W/2W/2 of Section 6, Township 26 South, Range 33 East, NMPM, Lea County, New Mexico;
- 2. Two Bone Spring wells in the E/2SW/4 of Section 31, Township 25 South, Range 33 East, NMPM, and the E/2W/2 of Section 6, Township 26 South, Range 33 East, NMPM, Lea County, New Mexico;
- 3. A Wolfcamp well in the W/2SW/4 of Section 31, Township 25 South, Range 33 East, NMPM, and the W/2W/2 of Section 6, Township 26 South, Range 33 East, NMPM, Lea County, New Mexico; and
- 4. A Wolf camp well in the E/2SW/4 of Section 31, Township 25 South, Range 33 East, NMPM, and the E/2W/2 of Section 6, Township 26 South, Range 33 East, NMPM, Lea County, New Mexico;

These matters are scheduled for hearing at 8:15 a.m. on Thursday, March 7, 2019, in Porter Hall at the Division's offices at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. You are not required to attend this hearing, but as an owner of an interest who may be affected by the applications, you may appear and present testimony. Failure to appear at that time and become a party of record will preclude you from contesting these matters at a later date.



A party appearing in a Division case is required by Division Rules to file a Pre-Hearing Statement no later than Thursday, February 28, 2019. This statement must be filed with the Division's Santa Fe office at the above address, and should include: The names of the party and his or her attorney; a concise statement of the case; the names of the witnesses the party will call to testify at the hearing; the approximate time the party will need to present its case; and identification of any procedural matters that need to be resolved prior to the hearing.

Very truly yours,

James Bruce

Attorney for Kaiser-Francis Oil Company

#### EXHIBIT A

Atlas OBO Energy, LP 15603 Kuykendahl Road, Suite 200 Houston, TX 77090-3655

Atlas OBO Energy, LP 3501 Allen Parkway Houston, TX 77019

Royalty Clearinghouse 2003, LLC. 201 West 5<sup>th</sup> Street, Suite 1350 Austin, TX 78701-3090

West Texas Gas, Inc. D/B/A WTG Exploration Inc. 401 West Wadley Avenue Midland, TX 79705-5339

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A. Signature  A. Signature  X. M. M. M. M. Addressee  B. Received by (Printed Name)  C. Date, of Delivery  C. C. M.	3. Service Type    Adult Signature   Priority Mail Express®     Adult Signature   Pestricted Delivery   Pegistered Mail     Adult Signature Pestricted Delivery   Petum Receipt for     Certified Mail Restricted Delivery   Petum Receipt for     Collect on Delivery Restricted Delivery   Signature Confirmation     Collect on Delivery   Signature Confirmation     Collect on Delivery   Pestricted Delivery     Collect on Delivery   Collect on Delivery     Collect on Delivery   Collec
Complete items 1, 2, 3.  Complete items 1, 2, 3.  Print your name and address on the reverse so that we can return the card to you.  Attach this card to the back of the mailpiece, or on the front if space permits.  Article Addressed to:  Royalty Clearinghouse 2003, LLC.  Royalty Clearinghouse 2003, LLC.  Royalty Clearinghouse 2003, LLC.  Royalty Clearinghouse 2003, LLC.	2. Article Number (Transfer from service label) 701.8 2290 0160 13 701.8 2290 000 3423 PS Form 3811, July 2015 PSN 7530-02-000-8053

A. Signature  A. Signature  X. X. g. g. M. J. C. Date of Delivery  B. Received by (Printed Name)  C. Date of Delivery  K. L. G. G. L. C. Date of Delivery  R. Addressee		3. Service Type  Cadutt Signature Cadutt Signature Restricted Delivery Confect on Delivery Collect on Deli	
SENDER: COMPLETE THIS SECTION  Complete items 1, 2,  Print your name and address on the reverse so that we can return the card to you.  Attach this card to the back of the malipiece, or on the front if space permits.	West Texas Gas, Inc. D/B/A WTG Exploration Inc. D/B/A WTG Exploration Inc. A01 West Wadley Avenue A01 West Wadley Avenue Midland, TX 79705-5339	9590 9402 4368 8190 0160 06 2. Article Number (Transfer from service label) 7018 2290 000-9053	

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LEGAL NOTICE FEBRUARY 20, 2019

To: Atlas OBO Energy LP, Royalty Clearinghouse 2003 LLC, West Texas Gas Inc., and WTG Exploration Inc., or your successors or assigns: Kaiser-Francis Oil Company has filed the following applications with the New Mexico Oil Conservation Division seeking orders pooling:

(i) All mineral interests in the Bone Spring formation underlying a horizontal spacing unit comprised of Lots 3 and 4 (the W/2SW/4) of Section 31, Township 25 South, Range 33 East, N.M.P.M. and Lots 1-

Payment Reference:

Total:

94.37

Tax: Net: 6.43 100.80

Prepaid:

0.00

Total Due

100.80

#### LEGAL NOTICE **FEBRUARY 20, 2019**

To: Atlas OBO Energy LP, Royalty Clearinghouse 2003 LLC, West Texas Gas Inc., and WTG Exploration Inc., or your successors or assigns: Kaiser-Francis Oil Company has filed the following applications with the New Mexico Oil Conservation Division seeking orders pooling:

- (i) All mineral interests in the Bone Spring formation underlying a horizontal spacing unit comprised of Lots 3 and 4 (the W/2SW/4) of Section 31, Township 25 South, Range 33 East, N.M.P.M. and Lots 1-4 (the W/2W/2) of Section 6, Township 26 South, Range 33 East, N.M.P.M. The unit will be dedicated to the Red Hills Well Nos. 002H and 102H, with first take points in Lot 3 of Section 31 and final take points in Lot 4 of Section 6;
- (ii) All mineral interests in the Bone Spring formation underlying a horizontal spacing unit comprised of the E/2SW/4 of Section 31, Township 25 South, Range 33 East, N.M.P.M. and the E/2W/2 of Section 6, Township 26 South, Range 33 East, N.M.P.M. The unit will be dedicated to the Red Hills Well Nos. 003H and 103H, with first take points in the NE/4SW/4 of Section 31 and final take points in the SE/4SW/4 of Section 6;
- (iii) All mineral interests in the Wolfcamp formation underlying a horizontal spacing unit comprised of Lots 3 and 4 (the W/2SW/4) of Section 31, Township 25 South, Range 33 East, N.M.P.M. and Lots 1-4 (the W/2W/2) of Section 6, Township 26 South, Range 33 East, N.M.P.M. The unit will be dedicated to the Red Hills Well No. 402H, with a first take point in Lot 3 of Section 31 and a final take point in Lot 4 of Section 6; and
- (iv) All mineral interests in the Wolfcamp formation underlying a horizontal spacing unit comprised of E/2SW/4 of Section 31, Township 25 South, Range 33 East, N.M.P.M. and the E/2W/2 of Section 6, Township 26 South, Range 33 East, N.M.P.M. The unit will be dedicated to the Red Hills Well No. 403H, with a first take point in the NE/4SW/4 of Section 31 and a final take point in the SE/4SW/4 of Section 6.

Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells and a 200% charge for the risk involved in drilling and completing the wells. The applications are scheduled to be heard at 8:15 a.m. on Thursday, March 7, 2019 at the Division's offices at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505. As an interest owner in the well units, you have the right to enter an appearance and participate in the case. Failure to appear will preclude you from contesting this matter at a later date. The attorney for applicant is James Bruce, P.O. Box 1056, Santa Fe, New Mexico 87504. The units are located approximately 24 miles west of Bennett, New Mexico.

#33762